



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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August 26, 2003

TO: Minerals File

FROM:  Tom Munson, Senior Reclamation Hydrologist

SUBJECT: Site Inspection, The Bug House, State Lease ML-27618 Project, S/025/025, Kane County, Utah

Date of Inspection: June 25, 2003
Time of Inspection: 12:00 noon – 1:00 p.m.
Conditions: Sunny
Participants: Tom Munson, DOGM

Purpose of Inspection: To ascertain how much regrading has occurred within this permit area since the last inspection.

Observations:

There was an area that has been recently regraded. I GPS'd that area at 1.16 acres. A GPS map was drawn and is attached. This recently regraded area is part of the area that had been partially regraded last year.

Conclusions and Recommendations:

As Mr. Crapo's mine expands west from Mr. Bob Harris's lease ML-48588 (S/025/006) located in the northeast of the northwest of Section 36, Mr. Crapo will have to add additional area to his permit. The last inspection on 5/23/2002 showed 2.2 acres of active disturbance and proposed 3.0 acres of regraded and seeded area. After this inspection, Mr. Crapo has 3.0 acres of regraded and partially seeded area and 2.7 acres of active disturbance.

Mr. Will Stokes, of School and Institutional Trust Lands surveyed State Mineral Lease # ML-48588 and the area within state lease ML-27618 that is connected to this mineral lease. Approximately .7 acres of disturbance has occurred within lease ML-27618 as Mr. Crapo moves west into the Trail Canyon area. Mr. Stokes filed a separate inspection report on Mr. Harris's Lease ML-48588 which summarizes the amount of disturbance found within that lease boundary. That report, along with this inspection memo will be included in the file. Together, they should cover all the active leases in the area.

Site Inspection Memo
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State Lease ML-27618
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It is appropriate to conclude that Mr. Crapo will be continuing to mine in the direction of the Trail Canyon lease and that he keep close track of the amount of disturbance that is attributed to this particular lease. It appears that between this lease and Mr. Harris's lease, ML-48558, these two leases will continue to be the most active leases within the septarian geode area, as long as the geodes are accessible in the two areas.

Mr. Crapo be contacted to ascertain when he is going to reseed and to make sure he documents when and what seeds he uses, and the procedures he uses to reseed. He will also be reminded to save topsoil for re-spreading whenever possible. Mr. Crapo was assessed disturbance at approximately 5.2 acres in May 2002. He now has 2.7 acres of active disturbance and 3.0 acres of regraded area (2.84 acres seeded for a year and 1.16 acres remaining to be seeded) for a total of 5.7 acres in this permit. Because 3.0 acres has been regraded, this will not be considered a large mine. Mr. Crapo needs to ascertain that he does not expand beyond five acres unless a large mining notice is submitted and approved prior to that expansion. Staking a five acre area with metal T-posts would eliminate this concern.

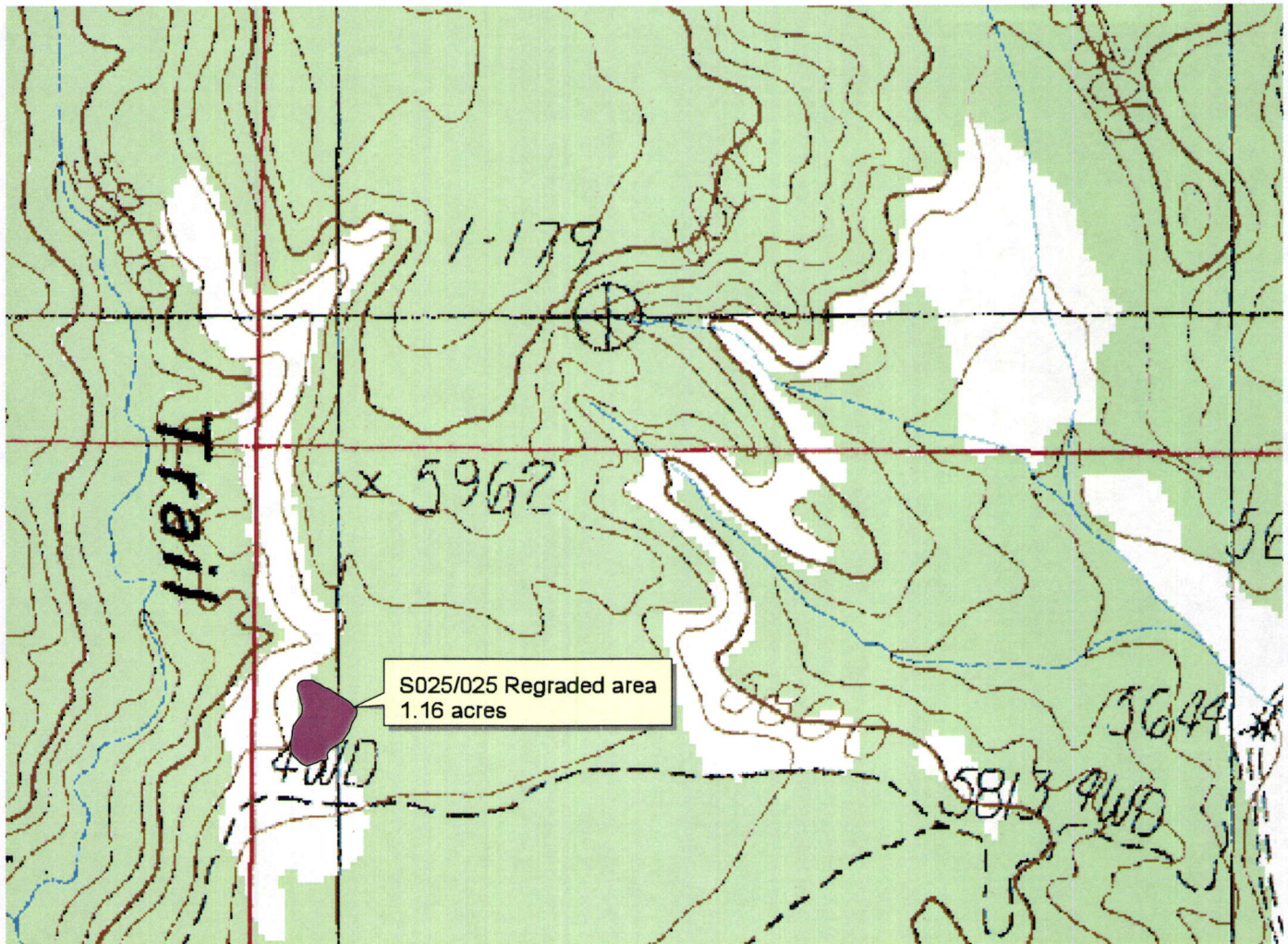
jb

Attachment: GPA map

cc: Loy Crapo, The Bug House
Will Stokes, SITLA

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S/025/025
State Lease-ML27618
Loy Crapo



900 0 900 1800 Feet

 **Regraded Area-1.16 acres**



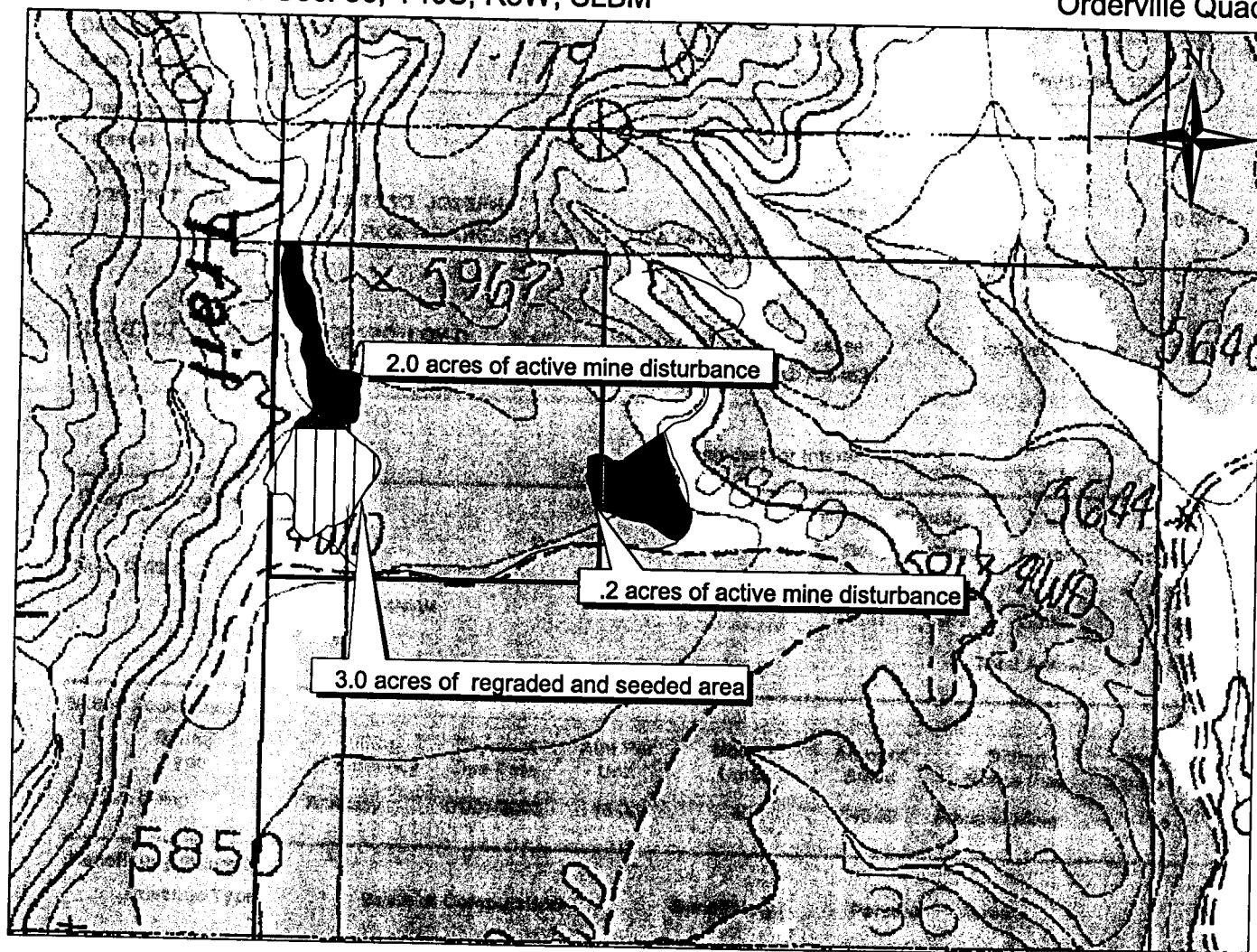
Site Inspection Date: 6/25/2003
Location: NW1/4, NW1/4, Section 36
T40S, R8W
USGS Quadrangle-Orderville(Q1403)

This product may not meet DOGM standards for accuracy and content. Different data sources and input scales may cause some misalignment of data layers.







State Lease # ML 2 3
Mike Caruso/ Loy Crapo 50 % Mineral Owners
Loy Crapo Mine Permit Holder
S/025/025

NW/4 of NW/4 of Sec. 36, T40S, R8W, SLBM

Orderville Quad



600 0 600 1200 1800 2400 Feet

-  Regraded and seeded area -3.0 acres
-  1/4 of 1/4 of Section 36
-  .2 acres of mining related disturbance
-  Road
-  2.0 acres active mine area
-  Bob Harris - ML # 48588

Map produced on 6/13/02 by DOGM
 Data Source: GPS surveys of
 6/14/2000 and 5/23/2002

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